

## **Education Cabinet**

# **Kentucky's unemployment rate rose slightly in February**

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FRANKFORT, Ky. — Kentucky's seasonally adjusted unemployment rate rose slightly from 5.6 percent in January 2007 to 5.7 percent in February 2007, according to the Office of Employment and Training, an agency of the Kentucky Education Cabinet. February 2007's jobless rate was below February 2006's rate of 6 percent.

The U.S. seasonally adjusted jobless rate decreased from 4.6 percent in January 2007 to 4.5 percent in February 2007, according to the U.S. Department of Labor.

"Kentucky was one of 34 states that had a lower unemployment rate in February 2007 than in February a year ago," said Carlos Cracraft, the department's chief labor market analyst.

"Unemployment rates have been below 6 percent in Kentucky for the past 12 consecutive months."

Six of the 11 major nonfarm job North American Industry Classification System (NAICS) sectors reported employment increases in February, while the remaining five decreased, according to Cracraft. A decrease of 300 jobs in February 2007 brought Kentucky's nonfarm employment to a seasonally adjusted total of 1,854,000 last month.

"Compared to last February, Kentucky's unemployment rate is .3 of a percentage-point lower this February and we added 11,400 jobs over the year. Altogether, 47 states and the District of Columbia recorded over-the-year nonfarm payroll employment increases in

February 2007 compared to February 2006, with Indiana, Michigan and Ohio as the only exceptions,” said Cracraft.

According to the seasonally adjusted employment data, Kentucky’s leisure and hospitality sector grew the most of any employment sector in Kentucky with an additional 800 jobs in February 2007. Since February 2006, employment in the sector has increased by 2,100 positions. The leisure and hospitality sector includes arts, entertainment, recreation, accommodations and food services and drinking places industries.

“The leisure and hospitality area continues to show strong growth, especially in the accommodation, and food services and drinking places industries,” Cracraft said.

The government sector, which includes public education, gained 800 jobs in February 2007. Since February 2006, this sector has added 2,800 jobs.

Employment in the professional and business services sector rose by 500 in February 2007. This area had 4,500 more employees in February 2007 than in February 2006. The professional and business services sector includes professional, scientific and technical services, and management of companies and administrative and support management, including temporary help agencies.

The educational and health services sector saw a gain of 500 jobs in February 2007. Since last February, this segment has gained 4,100 jobs. This sector includes private and nonprofit establishments that provide either education and training, or health care and social assistance to their clients.

“Along with the 500-job gain in February, the educational and health services sector added 1,900 jobs in January and 300 positions in December,” said Cracraft.

The financial activities sector grew by 200 jobs in February 2007. This segment, which includes businesses involved in finance, insurance, real estate and property leasing or rental, has added 2,100 jobs over the past 12 months.

The information sector recorded 100 more jobs in February 2007. This segment, which includes firms involved in publishing, Internet activities and broadcasting and news syndication, had 500 more jobs in February 2007 than in February 2006.

On the down side, the state's construction sector lost 1,200 jobs in February 2007. Since February 2006, employment in this job area has decreased by 2,300 jobs.

Kentucky's manufacturing sector had 1,200 fewer jobs in February 2007 than in January 2007. Compared to February 2006, jobs in the sector were down by 3,400 in February 2007.

In the trade, transportation and utilities sector, there was a decrease of 600 jobs in February 2007. This area includes retail and wholesale trade, transportation and utilities businesses, and warehousing, and is the largest sector in Kentucky with 379,200 employees. Since February 2006, the number of jobs in this sector has increased by 300.

The natural resources and mining sector had 100 fewer jobs in February 2007 compared to January 2007. Since February 2006, the segment has risen by 500 jobs.

Employment in the other services sector, which includes such establishments as repair and maintenance places, personal and laundry services, religious organizations, and civic and professional organizations, lost 100 positions in February 2007. This area had 200 more jobs in February 2007 than in February 2006.

The U.S. Bureau of Labor Statistics' monthly estimate of the number of employed Kentuckians for February 2007 was 1,951,086 on a seasonally adjusted basis. This figure is up 44,287 from the 1,906,799 employed in February 2006, and up 850 from the 1,950,236 employed in January 2007.

The monthly estimate of the number of unemployed Kentuckians for February 2007 was 118,275, down 2,614 from the 120,889 Kentuckians unemployed in February 2007, but up 2,361 from the 115,914 unemployed in January 2006.

The monthly estimate of the number of Kentuckians in the civilian labor force for February 2007 was 2,069,361. This figure is up 3,211 from the 2,066,150 recorded in January 2007, and up 41,673 from the 2,027,688 recorded for February 2006.

Unemployment statistics are based on estimates and are compiled to measure trends rather than actually to count people working. Civilian labor force statistics include non-military workers and unemployed Kentuckians who are actively seeking work. They do not include unemployed Kentuckians who have not looked for employment within the past four weeks.

Kentucky's statewide unemployment rate and employment levels are seasonally adjusted. Employment statistics undergo sharp fluctuations due to seasonal events, such as weather changes, harvests, holidays and school openings and closings. Seasonal adjustments eliminate these influences and make it easier to observe statistical trends. However, because of the small sample size, county unemployment rates are not seasonally adjusted.

Learn more about the Office of Employment and Training at [www.workforce.ky.gov](http://www.workforce.ky.gov).